




**STATE OF TENNESSEE**  
**DEPARTMENT OF COMMERCE AND INSURANCE**  
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NASHVILLE, TENNESSEE 37243-5065  
615-741-6007

**BILL LEE**  
GOVERNOR

**HODGEN M. MAINDA**  
COMMISSIONER

**DIRECTIVE 20-01**

**TO:** Tennessee Licensed Insurance Companies  
**FROM:** Hodgen Mainda, Commissioner   
**RE:** Tornado Recovery  
**DATE:** March 5, 2020

Tennessee has recently experienced devastating tornados. These events have resulted in loss of life, destruction of property, and displacement of many Tennesseans. Pursuant to the authority granted by the Governor, Executive Order No. 13, I am requesting that Tennessee licensed insurance companies make every reasonable effort to assist policyholders who have experienced losses as a result of, or have otherwise been affected by the tornadoes this March 2<sup>nd</sup> and 3<sup>rd</sup>.

Specifically, I request that cancellations or non-renewals of policies for the non-payment of premium be suspended for a period of at least sixty (60) days from the date of the loss of those policyholders who have suffered property damage, injuries or loss of life as a result of the catastrophic events. Insurers should take reasonable steps to inform affected policyholders that this extension is available. The sixty (60) day extension of time is not a waiver of a policyholder's obligation to pay premium. Where a delay in premium payment appears to be the result of a disruption to the mail delivery system or of the policyholder's displacement due to the tornadoes, the Department requests that insurers work with the policyholder and take those circumstances into account before cancelling a policy.

The Department further requests insurers make the following efforts to assist citizens affected by the tornadoes:

- Allow exceptions to proof of loss deadlines, notice requirements, and other contract or underwriting requirements;
- Allow for policyholders to voluntarily enter payment plans;
- Allow policyholders to temporarily postpone payment due dates in order to continue insurance coverage;

- Suspend late payment, reinstatement, or insufficient funds fees along with any other fee, penalty, or interest charge resulting from the insured's temporary inability to submit premium payments;
- Allow insureds to request a duplicate copy of their policy at no additional cost;
- Refrain from canceling or nonrenewing policies solely because of claims resulting from the tornadoes; and
- Allow for one (1) early or replacement prescription refill.

This request for an extension and/or exception on behalf of Tennessee policyholders is not intended to address circumstances involving fraud or material misrepresentation or any other reason unrelated to hardships created by the tornadoes.

Additionally, the Department is requesting the following data from all licensed property and casualty insurers writing policies in the state in order to expediently ascertain the number of consumers affected by the storms:

- By March 6, 2020, the number of policyholders the insurer has in each of the following counties: Benton, Humphreys, Dickson, Cheatham, Davidson, Wilson, Smith, and Putnam counties;
- On March 6, March 13, March 27, April 10, April 17, and April 24, 2020, the number of auto, homeowner, and commercial claims filed.

Please submit the above requested data to David Combs, Director of External Affairs, at [David.Combs@tn.gov](mailto:David.Combs@tn.gov).

Your cooperation in this effort is greatly appreciated. Any further questions should be directed to the Insurance Division's Policy Analysis Section, 10<sup>th</sup> Floor, Davy Crockett Tower, 500 James Robertson Parkway, Nashville, Tennessee, 37243 and/or (615) 741-8173.